

CBO's Economic Projections for 2002 Through 2012

Year-by-year economic projections for 2002 through 2012 are shown in the accompanying tables (by calendar year in Table E-1 and by fiscal year in Table E-2). The Congressional Budget Office did not try to explicitly incorporate cyclical recessions and recoveries into its projections for

years after 2003. Instead, the projected values shown here for 2004 through 2012 reflect CBO's assessment of average values for that period—which take into account potential ups and downs in the business cycle.

Table E-1.
CBO's Year-by-Year Forecast and Projections for Calendar Years 2002 Through 2012

	Estimated 2001	Forecast		Projected								
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Nominal GDP (Billions of dollars)	10,193	10,422	11,063	11,709	12,324	12,966	13,639	14,345	15,085	15,862	16,676	17,532
Nominal GDP (Percentage change)	3.2	2.2	6.1	5.8	5.3	5.2	5.2	5.2	5.2	5.1	5.1	5.1
Real GDP (Percentage change)	1.0	0.8	4.1	3.7	3.2	3.2	3.2	3.1	3.1	3.1	3.1	3.0
GDP Price Index (Percentage change)	2.2	1.4	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Consumer Price Index ^a (Percentage change)	2.9	1.8	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Employment Cost Index ^b (Percentage change)	3.8	4.1	3.9	3.7	3.4	3.5	3.6	3.6	3.6	3.5	3.4	3.4
Unemployment Rate (Percent)	4.8	6.1	5.9	5.4	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Three-Month Treasury Bill Rate (Percent)	3.4	2.2	4.5	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9
Ten-Year Treasury Note Rate (Percent)	5.0	5.0	5.5	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Tax Bases (Billions of dollars)												
Corporate book profits	705	631	774	899	971	1,042	1,101	1,170	1,226	1,289	1,357	1,425
Wages and salaries	5,097	5,243	5,538	5,811	6,081	6,377	6,695	7,032	7,387	7,760	8,152	8,565
Tax Bases (Percentage of GDP)												
Corporate book profits	6.9	6.1	7.0	7.7	7.9	8.0	8.1	8.2	8.1	8.1	8.1	8.1
Wages and salaries	50.0	50.3	50.1	49.6	49.3	49.2	49.1	49.0	49.0	48.9	48.9	48.9

SOURCES: Congressional Budget Office; Department of Commerce, Bureau of Economic Analysis; Department of Labor, Bureau of Labor Statistics; Federal Reserve Board.

NOTE: Percentage change is year over year.

a. The consumer price index for all urban consumers.

b. The employment cost index is a measure of wages for private-industry workers.

Table E-2.
CBO's Year-by-Year Forecast and Projections for Fiscal Years 2002 Through 2012

	Actual 2001	Forecast		Projected								
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Nominal GDP (Billions of dollars)	10,150	10,315	10,890	11,556	12,168	12,803	13,468	14,166	14,897	15,664	16,469	17,314
Nominal GDP (Percentage change)	4.1	1.6	5.6	6.1	5.3	5.2	5.2	5.2	5.2	5.1	5.1	5.1
Real GDP (Percentage change)	1.8	0.2	3.6	4.0	3.2	3.2	3.2	3.1	3.1	3.1	3.1	3.0
GDP Price Index (Percentage change)	2.3	1.5	1.9	2.1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Consumer Price Index ^a (Percentage change)	3.2	1.8	2.4	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Employment Cost Index ^b (Percentage change)	3.8	4.1	4.0	3.7	3.5	3.5	3.6	3.6	3.6	3.5	3.4	3.4
Unemployment Rate (Percent)	4.4	6.0	6.0	5.4	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Three-Month Treasury Bill Rate (Percent)	4.4	2.0	4.0	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9
Ten-Year Treasury Note Rate (Percent)	5.2	4.9	5.3	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Tax Bases (Billions of dollars)												
Corporate book profits	748	625	736	873	955	1,025	1,087	1,152	1,213	1,273	1,341	1,407
Wages and salaries	5,062	5,186	5,461	5,747	6,011	6,301	6,614	6,946	7,296	7,665	8,052	8,460
Tax Bases (Percentage of GDP)												
Corporate book profits	7.4	6.1	6.8	7.6	7.8	8.0	8.1	8.1	8.1	8.1	8.1	8.1
Wages and salaries	49.9	50.3	50.2	49.7	49.4	49.2	49.1	49.0	49.0	48.9	48.9	48.9

SOURCES: Congressional Budget Office; Department of Commerce, Bureau of Economic Analysis; Department of Labor, Bureau of Labor Statistics; Federal Reserve Board.

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a. The consumer price index for all urban consumers.

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